

issues are eligible to be traded under the pilot program.<sup>8</sup> Initially, the program was limited by allowing no more than three LMMs to participate in the program and no more than 40 option symbols to be used. But on April 1, 1997, the Commission approved an Exchange proposal to expand the program so that up to nine LMMs may participate and up to 150 option symbols may be used.<sup>9</sup>

The Exchange is now proposing to expand the LMM Book Pilot Program to eliminate the cap on the number of LMMs that may participate in the program. The Exchange notes that the program has been in operation for approximately eighteen months and no significant problems have occurred. The program has been viable and effective, and has resulted in significant cost savings to customers in Book execution charges. The Exchange believes that it has adequate systems and operation capacity to expand the scope of the program beyond its current limits.

The Exchange believes that the proposed change will make the Exchange LMM Program more competitive because it will provide LMMs with the same flexibility currently held by options specialists at other exchanges, and DPMs at the Chicago Board Options Exchange.

#### Basis

The Exchange believes the proposed rule change is consistent with Section 6(b)<sup>10</sup> of the Act, in general, and furthers the objectives of Section 6(b)(5),<sup>11</sup> in particular, in that it is designed to facilitate transactions in securities, to promote just and equitable principles of trade, and to protect investors and the public interest.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

#### *C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

Written comments on the proposed rule change were neither solicited nor received.

#### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

#### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the PCX. All submissions should refer to File No. SR-PCX-98-17 and should be submitted by June 12, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>12</sup>

**Jonathan G. Katz,**  
*Secretary.*

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#### **SMALL BUSINESS ADMINISTRATION**

##### **[Declaration of Disaster #3076]**

##### **State of Alabama; Amendment #2**

In accordance with a notice from the Federal Emergency Management Agency dated April 29, 1998, the above-numbered Declaration is hereby amended to include Walker County in the State of Alabama as a disaster area due to damages caused by severe storms and tornadoes beginning on April 8, 1998 and continuing through April 20, 1998.

In addition, applications for economic injury loans from small businesses located in the contiguous county of Marion, Alabama may be filed until the specified date at the previously designated location. Any counties contiguous to the above-name primary county and not listed herein have been previously declared.

All other information remains the same, i.e., the deadline for filing applications for physical damage is June 8, 1998 and for economic injury the termination date is January 11, 1999.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: May 8, 1998.

**Bernard Kulik,**

*Associate Administrator for Disaster Assistance.*

[FR Doc. 98-13743 Filed 5-21-98; 8:45 am]

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#### **SMALL BUSINESS ADMINISTRATION**

##### **[Declaration of Disaster #3069]**

##### **State of Georgia; Amendment #7**

In accordance with notices from the Federal Emergency Management Agency (FEMA) dated May 1, 8, and 11, 1998 and a notification from FEMA dated May 12, 1998, the above-numbered Declaration is hereby amended to include Columbia, Floyd, Lincoln, Peach, ockdale, Towns, and Union Counties in the State of Georgia as a disaster area due to damages caused by severe storms and flooding. This declaration is further amended to establish the incident period for this disaster as beginning on February 14, 1998 and continuing through May 11, 1998, and to extend the deadline for filing applications for physical damages resulting from this disaster to May 22, 1998.

In addition, applications for economic injury loans from small businesses located in the following contiguous counties may be filed until the specified date at the previously designated

<sup>8</sup> See Exchange Act Release No. 38273 (February 12, 1997), 62 FR 7489 (February 19, 1997) (approving File No. SR-PSE-96-45); see also Exchange Act Release No. 39667 (February 13, 1998), 63 FR 9895 (February 26, 1998) (order approving proposal to allow non-multiply-listed option issues to be traded under the program).

<sup>9</sup> See Exchange Act Release No. 38462 (April 1, 1997), 62 FR 16886 (April 8, 1997).

<sup>10</sup> 15 U.S.C. 78f(b).

<sup>11</sup> 15 U.S.C. 78f(b)(5).

<sup>12</sup> 17 CFR 200.30-3(a)(12).